

23 January 1947

MEMORANDUM FOR MR. CLARK M. CLIFFORD

SUBJECT: Comments on the Proposed "National Security Act of 1947"

1. The Central Intelligence Group is in receipt of the Third Draft of the proposed National Security Act of 1947, dated 27 January 1947. The Central Intelligence Group has addressed comments to an earlier draft of this legislation, insofar as it affected this agency. These comments have served the dual purpose of:

(a) Setting forth a working basis for a Central Intelligence Agency under the Merger; and,

(b) Eliminating from the proposed National Security Act any and all controversial material, insofar as it referred to central intelligence, which might in any way hamper the successful passage of the Act.

2. It seems proper to mention, however, that, in the course of securing the objectives outlined in the previous paragraph, the drafters of the proposed National Security Act have reached the conclusion that the Act should not include the full text of the proposed Central Intelligence Group Enabling Act, which was transmitted by this agency to you under date of 2 December 1946. It was felt that this text presented certain controversial issues which should not be included in the Merger Bill. It was the conclusion of the drafters that the proposed National Security Act should include a section creating a Central Intelligence Agency substantially as set forth in Section 302 of the Third Draft, and that the Agency should then secure its additional necessary powers and authority by means of separate legislation. In this position we have concurred.

3. However, the drafters have found it necessary to eliminate from the proposed draft certain provisions which the Central Intelligence Group considers vitally necessary.

4. It was urged upon the drafters that there be included a paragraph substantially as follows:

"The Director of Central Intelligence shall serve as the Advisor to the Council on all matters pertaining to national intelligence, and in this capacity, will attend meetings of the Council at its discretion but shall take no part in the decisions thereof."

It was felt that this paragraph was necessary in that Section 302 (c) (2) specifically transferred the functions of the Director of Central Intelligence to the new agency, and these functions included (as set forth in the Presidential Directive of 22 January 1946) the following:

"The Director of Central Intelligence shall be designated by me, shall be responsible to the National Intelligence Authority, and shall sit as a non-voting member thereof."

It would appear that the Director's functions as a non-voting member of the National Intelligence Authority should be transferred to the Director of the Central Intelligence Agency in connection with his relationships to the National Security Council. This position was concurred in by the Administrative Assistant to the President, charged with the drafting of this legislation, but was eliminated at the insistence of the other members of the Drafting Committee as too controversial.

5. As now written, it is feared that the necessary freedom of operation for a Central Intelligence Authority might well be handicapped by the present wording of Section 302 (a). It is therefore urged that this paragraph be changed to read substantially as follows:

"There is hereby established a Central Intelligence Agency with a Director of Central Intelligence, who shall be the head thereof, to be appointed from civilian or military life by the President, by and with the advice and consent of the Senate. The Director shall receive compensation at the rate of \$15,000 a year. The Central Intelligence Agency shall coordinate the nation's foreign intelligence activities and shall operate centrally those foreign intelligence functions which can be most efficiently performed centrally."

In view of the fact that Section 302 (c) (1) specifically transfers the functions of the National Intelligence Authority to the National Security Council, and as these functions and relationships have been efficiently developed over a period of time, it would appear that the proposed language quoted above would be preferable to that presently contained in the Third Draft.

- 3 -

7. The Central Intelligence Group further urged upon the Drafting Committee that provisions be made in this legislation for the specific position of a Deputy Director to be appointed from civilian or military life by the President, by and with the advice and consent of the Senate. The Deputy Director should receive compensation at the rate of \$12,000 per annum. It was felt desirable to include this in the legislation in order to provide continuity of action in the absence of the Director or should there be a vacancy in that office. The Deputy Director should be a man of such caliber and stature as adequately to serve as an operation deputy to the Director. This position was suggested in by the Administrative Assistant to the President but was overruled by the other members of the Drafting Committee.